

Mountain Regional Water
DISTRICT

2005
YEAR

CERTIFICATION OF BUDGET

ADOPTION OF BUDGET INFORMATION:

In compliance with Title 17A, Part 4 of the Utah Code, I, the undersigned, certify that the attached budget document is a true and correct copy of the budget of Mountain Regional Water SSD for the fiscal year ending December 31, 2005, as approved and adopted by resolution on December 15, 2004. A public hearing, which met the requirements of the Utah Code, section (indicate which):

☒ 17A-1-412 and 413, (applicable to entities who are adopting a budget prior to beginning of the fiscal year)

☐ 59-2-918 and 919, (applicable to entities who have budgeted a tax rate increase)

was held on December 15, 2004

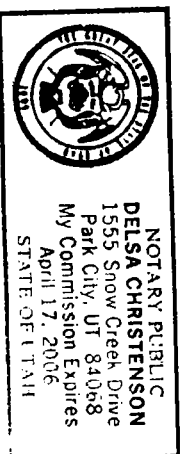
Signed [Signature]
Budget Officer

Subscribed and sworn to this 15

day of Dec, 2004.

Debra Christensen

(Notary Public)



MOUNTAIN REGIONAL WATER
2005 Approved Operating Budget
ENTERPRISE FUND

	2004 Amended Request		2005 Budget to 2004 Amended
<u>OPERATING INCOME</u>			
Water Sales	3,250,000		400,000
Connections	192,100		(26,100)
Contract Maintenance	12,800		(1,200)
Other	43,100		2,000
Total Operating Income	2,621,017	3,498,000	374,700
<u>OPERATING EXPENSES</u>			
Water Production	638,000		127,700
Engineering & Water Development	102,200		(6,800)
Operations & Maintenance	988,600		51,300
Management & Finance	302,700		24,500
Legal	184,000		-
Depreciation	727,000		512,000
Contingency	-		50,000
Total Operating Expense	2,780,693	2,942,500	758,700
OPERATING PROFIT (LOSS)	(159,676)	555,500	(384,000)
<u>OTHER INCOME (EXPENSE)</u>			
Other (Grants)	257,000		(232,000)
Interest Earnings - Available for Debt Service	171,800		(1,900)
Interest Earnings - Restricted	154,000		(102,000)
Impact Fees	973,700		(373,700)
SID Assessments	1,471,700		965,300
Interest Expense/Bank Fees	(3,019,700)		176,100
Amortization Expense	(163,800)		55,900
OTHER INCOME (EXPENSE)	527,114	(155,300)	487,700
NET INCOME (LOSS)	367,438	400,200	103,700
TRANSFERS	(387,337)	-	-
NET CHANGE IN EQUITY	(19,899)	400,200	103,700

CASH AVAILABLE FOR DEBT SERVICE

Total Available For Debt Service

Debt Coverage Ratio

2,180,400	2,487,000	4,667,400
125.0%	100.0%	n/a

**MOUNTAIN REGIONAL WATER
2005 Approved Capital Budget**

CAPITAL PROJECTS

Funds Available

Excess Cash from 2004 Debt Coverage

Bond Proceeds

Land Sale Proceeds

Grant ⁽²⁾

2004 Contingency

Total Proceeds Available

	Total Project Life MRW Capital
1,209,300	-

	Total Project Life SID Capital
	18,750,000 ⁽¹⁾
-	18,750,000

Capital Projects

Meter Reading Equipment / Meters / MXU

Conservation / SCADA Security

Well Development - Rockport

Well Development - 15C ⁽²⁾

System Improvements

Construction Equipment

Treatment Plant Shop & Lab

Lost Canyon Pipeline / Treatment Plant

Contingency

Total Capital Projects

	Ongoing
	Ongoing
	100,000
	500,000
	Ongoing
	Ongoing
	50,000
1,209,300	n/a

	-
	-
	-
	-
	-
	-
	-
	18,750,000 ⁽¹⁾
-	18,750,000

NET CASH FOR CAPITAL PROJECTS

-	n/a
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-	-
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CAPITAL EQUIPMENT

Funds Available

Excess Cash from 2004 Debt Coverage

Operations Cash Available After Debt Coverage

177,200	-
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-	-
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Capital Equipment

Engineering & Development

Capitalize Salary

Other

Management & Finance

Operations & Maintenance

Legal

Total Capital Equipment

	-
	-
	-
	-
	-
	-
177,200	-

	-
	-
	-
	-
	-
	-
-	-

NET CASH AFTER CAPITAL EQUIPMENT

-	-
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-	-
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(1) - It is possible that some minor work may be needed in 2005 to complete this project. If this project is not complete, budget funds approved in 2004 may be spent in 2005.

(2) - Construction of Well 15C is contingency upon receipt of grant.

MOUNTAIN REGIONAL WATER
2004 Amended Operating Budget
Enterprise Fund

	2004 Amended Request	2004 Adopted Budget	2004 Adopted to Amended
<u>OPERATING INCOME</u>			
Water Sales	3,250,000	3,323,500	(73,500)
Connections	192,100	78,000	114,100
Contract Maintenance	12,800	11,600	1,200
Other	43,100	50,000	(6,900)
Total Operating Income	2,621,017	3,463,100	34,900
<u>OPERATING EXPENSES</u>			
Water Production	638,000	613,000	25,000
Engineering & Water Development	102,200	102,200	-
Operations & Maintenance	988,600	958,600	30,000
Management & Finance	302,700	311,700	(9,000)
Legal	184,000	153,000	31,000
Depreciation	727,000	818,500	(91,500)
Total Operating Expense	2,780,693	2,957,000	(14,500)
OPERATING PROFIT (LOSS)	(159,676)	506,100	49,400
<u>OTHER INCOME (EXPENSE)</u>			
Other (Grants)	257,000	25,000	232,000
Interest Earnings - Available for Debt Service	171,800	102,000	69,800
Interest Earnings - Restricted	154,000	126,000	28,000
Impact Fees	973,700	973,700	-
SID Assessments	1,471,700	1,471,700	-
Interest Expense/Bank Fees	(3,019,700)	(3,020,400)	700
Amortization Expense	(163,800)	(103,500)	(60,300)
OTHER INCOME (EXPENSE)	527,114	(425,500)	270,200
NET INCOME (LOSS)	367,438	80,600	319,600
TRANSFERS	(387,337)	-	-
NET CHANGE IN EQUITY	(19,899)	80,600	319,600

**MOUNTAIN REGIONAL WATER
2004 Amended Debt Service Budget**

NON-SID Debt			SID Debt			2004 Total Amended Debt Service
2004 Amended Request	2004 Adopted Budget	2004 Adopted to Amended	2004 Amended Request	2004 Adopted Budget	2004 Adopted to Amended	
CASH AVAILABLE FOR DEBT SERVICE						
Operating Income	555,500	656,100 (100,600)	-	(150,000)	150,000	555,500
Add Back Depreciation	727,000	709,200 17,800	-	229,000	(229,000)	727,000
Add in Interest Available for Debt Service	171,800	102,000 69,800	38,000	38,000	-	209,800
Add In Impact Fees	-	-	-	-	-	-
Add In SID Assessments	-	-	1,471,700	1,471,700	-	1,471,700
Cash Carryover from 2003	-	-	640,300	640,300	-	640,300
Total Available For Debt Service	1,464,300	1,467,300 (13,000)	2,150,000	2,229,000	(79,000)	3,604,300
Principal	172,400	134,400 38,000	1,300,000	1,300,000	-	1,472,400
Interest	1,715,800	1,719,400 (3,600)	1,272,000	1,272,000	-	2,987,800
Less Accrued Portion	(736,100)	(847,500) 111,400	(636,000)	(636,000)	-	(1,372,100)
Total Debt Service	1,152,100	1,006,300 145,800	1,936,000	1,936,000	-	3,088,100
Debt Service X 1.25	1,440,125	1,257,875 n/a	n/a	n/a	n/a	n/a
Debt Coverage Ratio	126.2%	145.8% n/a	111.05%	115.1%	n/a	n/a

**MOUNTAIN REGIONAL WATER
2004 Approved Capital Budget**

CAPITAL PROJECTS

Funds Available

Grant
Bond Proceeds & Interest Earned on Proceeds
Water Resources Grant
Developer
Total Proceeds Available

Capital Projects

SCADA & Security	100,000	100,000	Ongoing	(1)
Atkinson 20" Pipeline Project	231,000	410,000	410,000	(1)
System Improvements	212,500	100,000	Ongoing	
Blackhawk Treatment Plant	500,000	-	-	
Meter Replacements	200,000	25,000	Ongoing	
Service Area #3 Spring Creek Loop & Stream Injection Project	700,000	-	-	
Fieldstone Water Rights	301,500	301,500	301,500	(3)
Lost Canyon Pipeline / Treatment Plan	350,000	400,000	400,000	(2)
Basin Pipeline	-	1,100,000	2,422,300	(4)
Summit Park Pipeline (carryforward from 2003)	-	400,000	800,000	(5)
Billing Software	20,000	-	-	(6)
Contingency	300,000	274,500		
Total Capital Projects	2,915,000	3,111,000	n/a	

2004 Approved SID Capital	2004 Amended SID Capital	Total Project Life SID Capital
-	-	-
10,000,000	10,950,000	18,750,000
-	-	-
10,000,000	10,950,000	18,750,000
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
10,000,000	10,950,000	18,750,000
-	-	-
-	-	-
10,000,000	10,950,000	18,750,000

NET CASH FOR CAPITAL PROJECTS

CAPITAL EQUIPMENT

Funds Available

Excess Cash from Operations 2004
Excess Cash from Operations 2003
Operations Cash Available After Debt Coverage

Capital Equipment

A - General Manager	-	-	-
Engineering & Development			
Capitalize Salary	73,400	73,400	-
Other	7,100	9,000	-
Finance & Administration	25,000	10,000	-
Operations & Maintenance	77,000	70,000	-
E - Legal	-	-	-
Total Capital Equipment	182,500	162,400	-

NET CASH AFTER CAPITAL EQUIPMENT[illegible]

(1) - These projects may not be completed until 2005. As such the unexpended approved budgets for these projects may carryforward into 2005.

(2) - The majority of this increase in 2004 is the result of completing less of the project in 2003 than anticipated due to regulatory delays. It is possible that some minor work may be needed in 2005 to complete these projects, and as such the approved budgets may carryforward as well.

(3) -The acquisition of these water rights is contingent upon approval of the State Engineer, and may carryforward into 2005.

(4) - It was initially anticipated that this portion of the basin pipeline would be paid from impact fees, but those impact fees have been set aside for debt service per the impact fee resolution.

(5) - This project was budgeted for completion in 2003 but final work was not completed until 2004.

(6) - This billing software was paid from operating funds due to savings in capital equipment. This provided more funding for capital projects.